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## **NISSAN RELOCATES ITS NORTH AMERICAN HEADQUARTERS**

*Relocation will provide long-term operational benefits and enhance efficiency*

NASHVILLE, TENN. (Nov. 10, 2005) – Nissan North America, Inc. (NNA), will relocate its Los Angeles headquarters functions and employees to an all-new facility in the greater Nashville area. The move is expected to provide strategic, long-term operational benefits and to support NNA's ongoing efforts to create synergies and improve performance.

The project was announced today at the Tennessee State Capitol by Nissan President and CEO Carlos Ghosn, who was joined by Tennessee Governor Phil Bredesen and United States Senators Bill Frist and Lamar Alexander.

"Nissan constantly seeks ways to create value and improve performance. When we examined the long-term operational benefits of relocation and the possibilities for realizing greater operational synergies, the business decision made sense," said Mr. Ghosn. "This decision complements the NISSAN Value-Up business plan, which focuses on our company's worldwide, profitable growth."

Nissan currently employs about 1,300 people on its headquarters campus in Gardena, Calif., about 15 miles south of Los Angeles. Corporate functions managed from that site include, among others, sales, marketing, product planning, corporate planning, communications and training. Nissan operations at the Gardena facility began in 1960.

Locating its headquarters in Franklin, 15 miles southwest of Nashville, will allow much closer collaboration with Nissan's manufacturing, purchasing, product quality and supply chain management functions based 30 minutes away in Smyrna, Tenn., where the company has a \$2.1 billion vehicle assembly plant and 6,700 employees. Another 1,300 employees work at the powertrain assembly plant in Decherd, Tenn.

The relocation decision was welcomed by Tennessee Governor Phil Bredesen.

"Nissan's decision in 1980 to manufacture vehicles in Tennessee was a watershed moment for our state," he said. "The auto industry today employs more than 125,000 Tennesseans working for over 1,000 companies pumping more than \$3.5 billion dollars in wages into the state annually. Today's announcement is another historic step forward in the relationship between Nissan and Tennessee."

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Citing reasons behind the relocation decision, Mr. Ghosn mentioned the lower costs of doing business in Tennessee; the favorable business and taxation climate that exists in the state; the potential to improve operational efficiencies among its North American functions; and Tennessee's central location. For employees, the relocation is expected to create more operational synergies and nurture employees' creativity and innovation. By bringing California headquarters and manufacturing functions closer together, there is a potential for higher levels of cross-functional involvement and better communication.

Plans for the new headquarters facility are not yet finalized, but the capital investment is expected to be \$70 million. The building will be designed to accommodate the current headquarters campus, future new hires, and some employees now working in other Nissan facilities in North America. Construction of the new building is expected to begin in 2006, and the facility would be completed in 2008. California-based employees will begin to move to Tennessee in mid-June 2006 and will work in temporary facilities in the Bell South building in downtown Nashville until the headquarters is completed.

Nissan has significantly expanded and enhanced its global operations since March 1999, when the Renault-Nissan Alliance was formed. In North America, a new vehicle assembly plant was built in Canton, Miss.; manufacturing facilities in Smyrna and Decherd, Tenn., have been expanded; additional vehicle design studios have been established in California and Michigan; and Nissan's North American research and engineering center in Michigan has completed a major expansion.

### **About Nissan North America**

Nissan directly employs more than 24,000 people in the United States, Canada and Mexico and generates an additional 70,000 jobs at about 1,200 Nissan and Infiniti dealerships in the United States.

In North America, Nissan's operations include automotive styling, engineering, consumer and corporate financing, sales and marketing, distribution and manufacturing. More information on Nissan in North America and the complete line of Nissan and Infiniti vehicles can be found online at [www.NissanUSA.com](http://www.NissanUSA.com) or [www.Infiniti.com](http://www.Infiniti.com).

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